

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6864

BILL NUMBER: SB 208

NOTE PREPARED: Feb 13, 2003

BILL AMENDED: Feb 4, 2003

SUBJECT: Environmental Rulemaking.

FIRST AUTHOR: Sen. Gard

FIRST SPONSOR:

BILL STATUS: As Passed - Senate

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill requires the Office of Environmental Adjudication to notify an environmental rulemaking board (ERB) of the results of an adjudicatory hearing if a rule of the board is a subject of the hearing. With respect to environmental non-rule policy documents, this bill requires publication of notice of proposed adoption by an environmental rulemaking board (ERB), and provides for public comments and response to comments by the Department of Environmental Management (IDEM). With respect to proposed rules of an ERB, the bill requires disclosure of additional information in the rulemaking process, including justification for requirements and restrictions that exceed federal standards. The bill requires the Environmental Quality Service Council to study the environmental rulemaking process.

Effective Date: July 1, 2003.

Explanation of State Expenditures: (Revised) The proposal contains provisions that would result in additional IDEM staff time to fulfill new responsibilities. The added requirements in SECTION 3, preparing a fiscal impact on each alternative, and the requirements of subdivisions 7, 8, and 9, would require additional staff time. SECTIONS 4 and 5 add directives that a fiscal must be published at the second and third notice of comment periods. SECTION 6, on sunset rulemaking, also adds the requirements of subdivisions 7, 8, and 9 in IC 13-14-9-3, which includes preparing a fiscal impact for each rule. This provision would impact approximately 1/7 of all of the air, water, waste board rules annually. The new duties would require additional staff resources, but the fiscal impact on staff resources is indeterminable.

Expenses for the boards for 2001 were as follows: Air, \$15,487; Water, \$13,687; Solid Waste, \$14,548. Total expenses equaled \$43,722.

IDEM must consult with Legislative Services Agency (LSA) to determine when a fiscal analysis is required.

LSA should be able to absorb any additional administrative expenses resulting from this provision given its current budget.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Environmental Management and Legislative Services Agency.

Local Agencies Affected:

Information Sources: IDEM

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